



SACHI A. HAMAI
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
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"To Enrich Lives Through Effective And Caring Service"

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May 10, 2016

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

16 May 10, 2016

LORI GLASGOW
EXECUTIVE OFFICER

**REQUEST FOR BUDGET AUTHORIZATION TO TEMPORARILY INCREASE THE CASH FLOW
ADVANCE FOR THE LOS ANGELES REGIONAL INTEROPERABLE COMMUNICATIONS
SYSTEM PROJECT
AND APPROVE APPROPRIATION ADJUSTMENT
ALL DISTRICTS
(3 VOTES)**

SUBJECT

Board approval is requested to increase for 180 days the cash flow advance for the Los Angeles Regional Interoperable Communications System Authority from \$10.0 million dollars to \$18.0 million dollars to permit Urban Area Security Initiative 2011 funds to be spent by the May 13, 2016 subrecipient's grant performance period. The cash advance funds will be ultimately reimbursed by Federal grant funds from the UASI grant program.

IT IS RECOMMENDED THAT THE BOARD:

Approve an appropriation adjustment transferring \$8.0 million from the Provisional Financing Uses – Various budget unit to Obligated Fund Balance Non-spendable for Long-Term Loan Receivables for Los Angeles Regional Interoperable Communications System for the Los Angeles Regional Interoperable Communications System Project to increase the cash flow advance for 180 days to pay for grant reimbursable expenditures associated with the implementation of the Los Angeles Regional Interoperable Communications System Project.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On August 3, 2010, the Board approved a \$10.0 million cash flow advance for the payment of grant-reimbursable expenditures for the development of the initial communication infrastructure for the Los

Angeles Regional Interoperable Communications System (LA-RICS) Project. That cash flow advance has been used as a revolving fund over the years by the LA-RICS Authority to pay vendors and contractors for grant-funded work on the LA-RICS project. Once payment is made by the LA-RICS Authority to the vendors and contractors, the amounts are then reimbursed back by the applicable grant program.

Currently, there is approximately \$18.0 million in Urban Area Security Initiative (UASI) '11 funds that need to be spent on the Land Mobile Radio (LMR) portion of LA-RICS Project by the grant performance period of May 13, 2016. The LA-RICS Authority's contractors and vendors are in the process of completing work that will fully spend the \$18.0 million in UASI '11 funds by the grant performance period. The federal grantor has already approved the LA-RICS Authority's spending plan for this full amount. However, given grant reimbursable costs need to first be paid by the grant subrecipient, the current cash flow advance amount is not sufficient to permit the full expenditure of the UASI '11 funds and allow for reimbursement of the same by the quickly approaching grant performance period.

Implementation of Strategic Plan Goals

These actions support the County's Strategic Plan Goals #1: Operational Effectiveness and Fiscal Sustainability, #2: Community Support and Responsiveness and #3: Integrated Services Delivery.

FISCAL IMPACT/FINANCING

The cash flow advance will be increased for 180 days from \$10.0 million to \$18.0 million, and the funds will be replenished by the LA-RICS Authority's Fiscal Agent, the County of Los Angeles Auditor-Controller, after they have received grant reimbursement from the UASI grant program. The \$8.0 million will be returned to PFU as soon as they are no longer required by UASI '11 obligations.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The County of Los Angeles is the largest participating member of the LA-RICS Authority, and will use the LA-RICS' Land Mobile Radio (LMR) System in its day to day operations and during emergencies.

The requested action permits the County and the LA-RICS Authority to continue with delivering an interoperable communications system to the region. The requested action will increase the cash advance amount so that the LA-RICS Authority can pay the bulk of the \$18.0 million to vendors and contractors working on the LMR portion of the LA-RICS Project. A bulk of the work falling under the approved UASI '11 grant was not cleared to move forward until environmental clearances were secured. The final clearances were received on April 27, 2016, allowing two weeks for approximately \$18 million in remaining work to be completed, paid for and claimed. The funds will then be replenished by the LA-RICS Authority's Fiscal Agent after seeking and processing grant reimbursement from the UASI grant program. As part of the reimbursement process, the cash flow advance fund cannot be replenished until proof of payment is provided as part of the grants package.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the budget adjustment will enable the continuation of funding of the important work of LA-RICS.

CONCLUSION

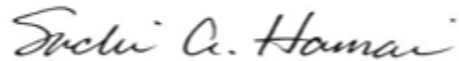
The Honorable Board of Supervisors

5/10/2016

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Upon approval by your Board, the Auditor Controller will move the appropriate funds as needed.

Respectfully submitted,

A handwritten signature in cursive script that reads "Sachi A. Hamai".

SACHI A. HAMAI

Chief Executive Officer

SAH:JJ:SW

MI:cc

Enclosures

c: Executive Office, Board of Supervisors
County Counsel
Sheriff
Auditor-Controller
Fire

COUNTY OF LOS ANGELES

June 27, 2016
DEPT NO: 060**REQUEST FOR APPROPRIATION ADJUSTMENT**

DEPARTMENT OF CHIEF EXECUTIVE OFFICER

AUDITOR-CONTROLLER:

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR**FY 2015-16****3 - VOTES****SOURCES****USES****PFU-VARIOUS**

A01-CB-2000-13749-13760

SERVICES & SUPPLIES

DECREASE APPROPRIATION**8,000,000****GENERAL FUND**

A01-3023

NONSPENDABLE FOR LT LOANS REC - LA-RICS

INCREASE OBLIGATED FUND BALANCE**8,000,000****SOURCES TOTAL****8,000,000****USES TOTAL****8,000,000****JUSTIFICATION**

Reflects the transfer of \$8.0 million from Provisional Financing Uses to obligated fund balance Nonspendable for Long-Term Receivables for Los Angeles Regional Interoperable Communications System (LA-RICS) to provide cash flow for the LA-RICS Joint Powers Authority Urban Area Security Initiative 2011 grant.

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

Matthew McGloin

AUTHORIZED SIGNATURE

MATTHEW MCGLOIN, SENIOR MANAGER, CEO

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

16

MAY 10 2016

Lori Glasgow
LORI GLASGOW
EXECUTIVE OFFICER

REFERRED TO THE EXECUTIVE OFFICER FOR ACTION
EXECUTIVE OFFICER FOR---

☒ RECOMMENDATION
BY *Lanham*DATE *May 4, 2016*
☒ APPROVED AS REQUESTED

☐ APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

BY *S. Kibben*DATE *May 4, 2016*

AUDITOR-CONTROLLER

B.A. NO. *189*